

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7397**

**BILL NUMBER:** HB 1334

**NOTE PREPARED:** Mar 31, 2011

**BILL AMENDED:** Mar 31, 2011

**SUBJECT:** Mopeds.

**FIRST AUTHOR:** Rep. Smith M

**FIRST SPONSOR:** Sen. Becker

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

- (1) Changes the term motorized bicycle to moped.
- (2) Requires that a moped operated on a highway must be titled and registered with the Bureau of Motor Vehicles (BMV), with a registration fee equal to that of a motorcycle.
- (3) Requires that certain funds received from the registration of a moped be deposited in the Motorcycle Operator Safety Education Fund.
- (4) Requires the operator of a moped on a highway to have an identification card or driver's license in the operator's immediate possession when operating the moped.
- (5) Requires a dealer who sells at least 12 mopeds a year to register as a dealer with the Secretary of State.
- (6) Requires proof of financial responsibility to register and operate a moped.
- (7) Requires certain individuals to file accident reports after an accident involving a moped.
- (8) Amends stoplight requirements for certain motor vehicles.
- (9) Repeals the term "motor scooter".
- (10) Makes conforming changes, technical corrections, and deletes outdated language.

**Effective Date:** (Amended) Upon passage; July 1, 2011.

**Explanation of State Expenditures:** *Registration of Mopeds:* Requiring registration and a certificate of title for mopeds may increase associated expenditures for the BMV. The BMV does not register or title these items currently. However, any expenditure is likely to be minimal. In CY 2007, the BMV registered approximately 6.3 million vehicles and issued about 2.0 million titles. The fund affected is the Motor Vehicle Highway Account (MVHA), which supports the BMV. The number of mopeds in Indiana is not known. The

fund affected is the Motor Vehicle Highway Account, which supports the BMV.

**Explanation of State Revenues:** *Registration of Mopeds:* Requiring certain funds received from the registration of a moped to be deposited in the Motorcycle Operator Safety Education Fund will increase revenue to the fund. The impact will depend upon the number of mopeds registered annually. The annual registration fee for motorcycles is \$26.05, which includes a \$0.30 fee which is deposited into the Spinal Cord and Brain Injury Fund and a \$7 fee which is deposited into the Motorcycle Operator Safety Education Fund. The table below shows the distribution of the \$26.05 fee for motorcycles, along with the uses of the funds.

Extending the current \$26.05 annual registration fee to mopeds will generate additional annual state revenue. The number of mopeds in the state that would be required to register is unknown. However, assuming there are 3,000 moped that would be required to register in the state, this bill is expected to increase state revenue by \$78,150 per year from registration fees. The table below shows the distribution of the motorcycle registration fee.

Distribution of Annual Registration Fee	Fee	Est'd Revenue
Motor Vehicle Highway Account (MVHA)	\$8.75	\$26,250
Public Safety Fee	\$0.25	\$750
Motorcycle Operator Safety Education Fund	\$7.00	\$21,000
Crossroads 2000 Fund	\$3.00	\$9,000
BMV Technology Fund	\$0.50	\$1,500
Anti-Terrorism	\$1.25	\$3,750
Bureau of Motor Vehicles Commission (BMVC)	\$5.00	\$15,000
Spinal Cord Brain Injury Fund	\$0.30	\$900
<b>TOTAL</b>	<b>\$26.05</b>	<b>\$78,150</b>

Requiring the possession of an operator's license or an identification card may increase the issuance of these licenses and permits and increase fee revenue. The funds affected are the MVHA, the State Police Building Fund, the Motorcycle Operator Safety Education Fund, the Crossroads 2000 Fund, the BMV Technology Fund, the Anti-Terrorism Fund, and the Bureau of Motor Vehicles Commission (supported by the state License Branch Fund).

Additionally, requiring a dealer of at least 12 mopeds per year to register as a dealer with the Secretary of State will mean additional revenue. The funds affected are the Dealer Compliance Account and the MVHA.

(Revised) *Insurance Requirement:* Currently, the number of moped operators who carry insurance coverage for moped operation is not known. This bill may result in an increase in the number of insurance policies issued to moped operators. To the extent this occurs, the state will receive additional revenue from taxes paid on insurance premiums. Revenue received from the insurance premium tax is distributed to the General Fund. Actual increases in state revenue from insurance premiums are indeterminable.

(Revised) *Penalty Provision:* The bill requires that a motor vehicle manufactured or assembled after January 1, 1986, may not be sold or operated on the highways unless the vehicle is equipped with a high-mounted stoplight. Failure to meet this requirement is punishable with a Class C infraction. The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. However, any additional revenue is likely to be small.

**Background Information:** In FY 2010 the BMV completed 193,890 motorcycle registration transactions and received a total of \$5.05 M in revenue from these transactions.

The MVHA may be used for road construction, reconstruction, and maintenance for cities, towns, and counties. The MVHA also supports entirely the operation of the BMV, a significant part of the operation of the Department of Transportation, about 61% of the operation of the State Police, and part of the operation of the state Department of Revenue.

The Public Safety fee supports the State Police Building Fund, which is used for construction, maintenance, and equipping of and/or leasing of State Police facilities.

The Motorcycle Operator Safety Education Fund supports motorcycle education.

The Crossroads 2000 Fund supports highway bonding.

The BMV Technology Fund supports technology for the BMV.

The anti-terrorism fee supports the Integrated Public Safety Commission (IPSC). The IPSC operates Project Hoosier Safe-T (Safety Acting for Everyone-Together, an initiative of the IPSC). The Commission works with local, state, and federal public safety agencies to implement a statewide, interoperable, digital, 800 MHz trunked voice and mobile data communications network for public safety officials. SAFE-T will provide 95% statewide mobile coverage through a baseline design of 126 communication sites. SAFE-T seeks to replace inadequate, obsolete, and incompatible communications systems and allow coordination and response to routine, emergency and catastrophic events. Public safety agencies independently choose whether or not to participate in SAFE-T.

The Bureau of Motor Vehicles Commission is supported by the state License Branch Fund.

The Spinal Cord and Brain Injury Fund supports research for spinal cord and brain injuries.

The Dealer Compliance Account is used by the Secretary of State to monitor dealers.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Funds from the MVHA are distributed to cities, towns, and counties.

(Revised) *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

**State Agencies Affected:** BMV; Secretary of State; State Police; Department of Transportation; State Department of Revenue.

**Local Agencies Affected:** Recipients of MVHA distributions; various public safety agencies; trial courts, local law enforcement agencies.

**Information Sources:** Danielle Roessing, BMV.

**Fiscal Analyst:** Bill Brumbach, 232-9559.